

## Appropriation: Central Hazardous Materials Fund

### APPROPRIATION LANGUAGE SHEET

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. section 9601 et seq.), \$10,000,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to sections 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds, or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account. (*P.L. 106-113, Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000.*)

## **AUTHORIZATIONS**

**The Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 9601-9673)**

Provides for liability, risk assessment, compensation, emergency response, and cleanup (including the cleanup of inactive sites) for hazardous substances. It requires Federal agencies to report sites where hazardous wastes are or have been stored, treated, or disposed, and requires responsible parties, including Federal agencies, to clean up releases of hazardous substances.

## SUMMARY OF REQUIREMENTS

(thousands of dollars)

Comparison by Activity/ Subactivity	1999 Actual		2000 Enacted		Uncontrollable & Related Changes (+/-)		Program Changes (+/-)		2001 Budget Request		Inc(+) Dec(-) from 2000	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Central Hazardous Materials Fund</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>9,955</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>+45</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>+45</b>
Central Hazardous Materials <sup>1</sup>	0	10,000	0	9,955	0	0	0	+45	0	10,000	0	+45
Remedial Action - BLM		3,305		4,491								
Remedial Action - FWS		9,557		8,018								
Remedial Action - NPS		3,822		3,151								
Remedial Action - BIA		598		1,438								
Remedial Action - DOI		512		324								
Unallocated		283		2,017 <sup>2</sup>								

<sup>1</sup>Includes prior year carryover<sup>2</sup>Allocations are still being made among the bureaus

## Activity: Central Hazardous Materials Fund

### Activity Summary (000's)

Subactivity		1999 Actual	2000 Enacted To Date	Uncontrollable & Related Changes (+/-)	Program Changes (+/-)	2001 Budget Request	Change From 2000 (+/-)
Central Hazardous	\$	10,000	9,955	0	+45	10,000	+45
Materials Fund	FTE	0	0	0	0	0	0.00

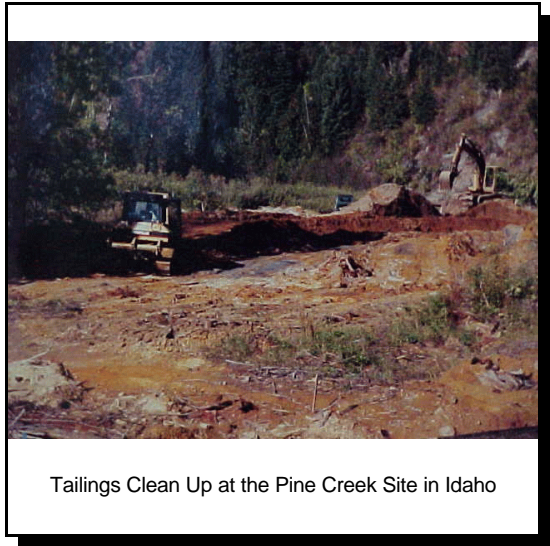
### ACTIVITY DESCRIPTION

The Department of the Interior (Department) continues to face major demands regarding the cleanup of hazardous substance releases on Federal lands and at Interior facilities. These demands are largely due to non-Departmental activities occurring on Department-administered lands such as mining, onshore oil and gas wells, landfills, agricultural, and other industrial uses. Illegal dumping of industrial, agricultural and other wastes continues to add to the potential number of hazardous materials releases on those lands.

This appropriation includes funding to conduct remedial investigations/feasibility studies and cleanups at Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) hazardous substance release sites for which the Department is liable. Funds are appropriated to the BLM and are made available by allocation to the other participating bureaus. The BLM performs the budgeting and financial management operations for the account.

Funds will only be used for remedial activities, including maintenance and monitoring to ensure the effectiveness of the remedial action. They are not intended to be used for the payment of judgements or the settlements of claims. In his decision of November 29, 1993, the Comptroller General of the U.S. held that litigative awards against the U.S., to reimburse claimants for the government's share of response costs and natural resource damages paid or payable under CERCLA, are payable from the permanent, indefinite Judgement Fund appropriation created by 31 U.S.C. §1304 (1988), to the same extent as are other litigative awards against the U.S.

The Central Hazardous Materials Fund (CHF) is managed to accomplish the following:



- C Protect public health and safety relative to uses and activities on Department lands and facilities.
  - C Provide a central account to accomplish or contribute to the remedial investigation/feasibility studies (RI/FS) and cleanup of hazardous substance release sites.
  - C Bring greater consistency, direction, and coordination to the Department's hazardous materials management program.
  - C Improve Departmental oversight of contaminated site cleanups and the subsequent monitoring and maintenance of the remedial action.
  - C Facilitate the optimal, cost-effective distribution of the Department's remediation resources for Interior's contaminated sites.
- C Conduct hazardous material cleanup activities and the subsequent maintenance and monitoring of the remedial actions in a manner consistent with bureau land use and management plan objectives.
  - C Pursue aggressive cost recovery and cost sharing actions from the parties who are responsible for contaminating the Federal land.
  - C Provide no-year funding to complete post-site investigation and RI/FS, remediation, and the subsequent maintenance and monitoring phases efficiently.

**Criteria** - The Department of the Interior's highest priorities for remediation are defined using five criteria:

- risk to human health and the environment;
- the utilization of innovative and/or accelerated approaches or technology;
- involvement of other potentially responsible parties (PRP) in cost sharing;
- National Priorities List (NPL) status; and
- legal risk of the Department to fines and penalties if action is not taken. Legal risk may result from:
  - ÷ the existence of Federal or State judicial orders to clean up a site;
  - ÷ statutory time frames that require mandatory compliance; or
  - ÷ the existence of existing formal orders from States or EPA or a formal agreement among the Department, regulators, and/or PRPs.

To avoid legal risk at sites where NPL status is pending, or where interim remedial actions can or need to be taken at a site and a State regulatory agency can monitor progress, voluntary remediation may be undertaken by the Department.

## 2001 PROGRAM OVERVIEW

The FY 2001 budget request is \$10,000,000.

**Planned Work** - The Department of the Interior will aggressively continue cleanup at sites where work has progressed over several years, including those at the Crab Orchard National Wildlife Refuge (NWR) in Illinois (Fish and Wildlife Service–FWS); Cuyahoga National Recreation Area in Ohio (National Park Service–NPS); and Lee Acres Landfill in New Mexico (Bureau of Land Management–BLM). Work will also continue at sites initiated in FY 2000, including those at Valley Forge National Historic Park (NHP) in Pennsylvania (NPS); Sachuest National Wildlife Refuge in Rhode Island (FWS); Red Devil Mine in Alaska (BLM); Caselton Tailings in Nevada (BLM); and Manning Canyon Tailings in Utah (BLM).

**Program Management** - There will be continued emphasis on improving project management and cost oversight of projects receiving CHF support. Utilizing the services of the Bureau of Reclamation's Construction Management Group, each project will be evaluated and a detailed project cost estimate prepared. The initial phase of this reengineering process will be completed in FY 2001. The Department also will reevaluate its priority projects such as the Crab Orchard NWR on an annual basis to ensure project progress and efficient use of project funds. In addition to preparing cost estimates, the Management Group is developing a CHF project database to track project progress and funds expended. It is anticipated that this database will be finalized in FY 2001.

The Department's continued work with the Department of Justice on the pursuit of PRPs will help to standardize record keeping among bureaus. Improved record keeping and project management will enhance the Department's efforts to recover costs and to engage in cost sharing partnerships with PRPs. Furthermore, the Department will also continue to keep tight controls on the administrative overhead of the CHF. In FY 2001, it is anticipated that payment from the CHF for overhead will continue to be only about two percent. In other words, 98 cents of every CHF dollar will go directly to the field to address Departmental cleanup obligations and PRP pursuit.

Individual bureaus will continue to operate the remainder of their hazardous materials programs (e.g., pre-remedial investigations and assessments, compliance activities, emergency response, and training) from other funding sources. These activities are outside the scope of the CHF and are not funded by the CHF.

**Cost Recovery** - The Department will continue to be aggressive in conducting cleanups and in pursuing legal action against responsible parties; in part, this is because the CHF is authorized to receive recovered costs. Currently, the CHF is supporting two attorneys: one who primarily works on recovery of past costs for sites where remediation is underway or completed; and the other who primarily works to establish cost-sharing partnerships with PRPs whenever possible--an approach that is more cost-effective than relying solely on litigation. The goal is to obtain agreements with PRPs before remediation is implemented in order to reduce the up-front costs to taxpayers and the Department.

While the Department expects to cost share/recover additional amounts in FY 2001, these recoveries occur at unpredictable intervals, and cannot be expected to offset additional project costs for ongoing projects, projects newly funded in FY 2000, or eligible projects nominated for funding in FY 2001.

## 2000 PROGRAM ACCOMPLISHMENTS

By the end of 2000, 37 percent of the CHF projects will have progressed from active remediation to long term monitoring of the in-place remedy or need no further action. These projects include the Monite Dynamite Site in Nevada (BLM); Operable Unit Number 3 at Great Swamp NWR in New Jersey (FWS); Iroquois NWR in New York (FWS); Atlas Asbestos in California (BLM); and Oroville Landfill in Washington (BLM).

The most notable recent success regarding PRPs is the December 1999 agreement with the State of Pennsylvania for the State to conduct a remedial investigation/ feasibility study at Valley Forge National Historic Park (NPS). This agreement could save the Department more than one million dollars in FY 2000 and FY 2001. In fact, CHF-supported projects have cost-shared or cost-recovered over \$52,000,000 from other PRPs to date. The Department is currently working with the Department of Justice on cost recovery cases at the Cuyahoga National Recreation Area (NPS) and the Crab Orchard NWR projects (FWS). The Department anticipates beginning litigation on these sites to recover costs or to establish cost-sharing partnerships. The litigation is necessary due in large part to the Department's unique status of being both a PRP as well as an injured land owner and natural resource trustee.



An Arm of Crab Orchard Lake Dammed to Remove PCB-Contaminated Sediments

The following table summarizes the planned work on projects that have been allocated funds in FY 2000. Most of these will continue to be active in FY 2001. In addition, \$200,000 has been allocated to the Department's Office of the Solicitor for the pursuit of PRPs, cost recovery, and partnering and cost avoidance to the Federal government.

## Planned FY 2000 Work - Central HAZMAT Fund

Bureau/ FY 2000 Funding	Project	Planned FY 2000 Work
BIA/ \$920,000	Tar Creek, OK	This project is listed on the Environmental Protection Agency's National Priorities List (NPL). Planned work includes continuation of support to U.S. EPA in outreach to tribal members.
	Sheep Dip Vats, AZ	Remediation of sites contaminated by livestock pesticide.
BLM/ \$3,201,000	Atlas Asbestos, CA	This site was taken off the NPL by USEPA in 1999. Planned work includes continuing to maintain site access, monitoring, and a revegetation demonstration project.
	Lee Acres Landfill, NM (NPL)	Completing the Record of Decision, analysis of previous Potentially Responsible Parties (PRPs), CERCLA data request responses, continued monitoring of an innovative technology landfill cap demonstration area, and continued monitoring of the ground water well network.
	Pine Creek Mines, ID	Identification and pursuit of PRPs, delineation of land status ownership, and stabilization of mine tailings.
	Murtaugh Landfill, ID	Long-term maintenance and monitoring of the in-place remedy.
	Manning Canyon, UT	Identification and pursuit of PRPs, delineation of land status ownership, and stabilization of mine tailings.
	Red Devil Mine, AK	Interim remedial actions to remove drums and mercury-contaminated materials. Critical work at the Red Devil Mine site will be completed by 2001.
	Caselton Tailings, NV	Identification and pursuit of PRPs, delineation of land status ownership, and stabilization of mine tailings.
FWS/ \$4,400,000	Crab Orchard NWR, IL (NPL)	Planned work includes enhanced identification and active pursuit of PRPs, continuation of remedial investigations at two operable units, and continuation of long-term monitoring at completed projects and Crab Orchard Lake.
	Great Swamp NWR, NJ (Harding Landfill)	PRP identification and initiation of remedial action.
	Sachuest NWR, RI	PRP identification and initiation of remedial action.
NPS/ \$900,000	Cuyahoga NRA (Krejci), OH	Continued pursuit of PRPs, initiation of remedial design, and negotiation with the State of Ohio on further remediation needs.
	Fort Sumter NHS (Dockside), SC	PRP case development and continued PRP oversight of remediation implementation.
	Grant-Kohrs Ranch NHS, MT	Further identification of contaminated hot spots in the riparian zone.
	Valley Forge NHP, PA	Oversight of remedial investigation and any needed interim remedial action. Continued involvement with the PRP at the site.
	Barney Circle, DC	Development of the Record of Decision and oversight of PRP remediation activities.
	Washington Gas & Light, DC	Oversight of PRP remediation activities.
	Molycorp Mine, CA	Oversight of PRP remedial activities and determination of risk evaluation data gaps.
	Morningstar Mine, CA	Initiation of remedial investigation and interim remedial action.
	Redoubt Brannon, TN	Oversight and cost sharing of the remediation of a landfill located on Park property.



**JUSTIFICATION OF 2001 PROGRAM CHANGES****2001 Program Changes**

	2001 Budget Request	Program Changes (+/-)
\$ (000's)	10,000	+45
FTE	0	+0

The FY 2001 Budget Request for the Central Hazardous Materials Fund is \$10,000,000, a program increase of \$45,000.

From inception of the CHF in FY 1995 through FY 1999, the Department has obtained from PRPs cost-shared, cost-recovered, and in-kind work valued at \$52,000,000. During this same period, the Department received \$57,000,000 in CHF appropriations. Thus, for those ongoing projects with PRPs, the opportunity exists to leverage appropriated dollars by involving PRPs in site clean up or to have PRPs reimburse the Department. These leveraged funds can, in turn, make more appropriated funds available for initiating clean up at other sites where PRPs do not exist and for monitoring of remediation-completed sites. Leveraging funds is important because the number of bureau-nominated sites will continue to increase as bureaus become more aware of their inventory of contaminated sites.

The requested funding increase will be used to increase the Department's pursuit of potentially responsible parties and to develop and implement required Cost Recovery Plans at contaminated sites. These plans enable the Department to recover costs previously spent for site remediation or to cost share with PRPs at sites where remediation has not yet begun. The search for PRPs and the completion and implementation of Cost Recovery Plans is a complex and intense activity, but without it, the basis for cost sharing and partnering cannot exist. The \$45,000 increase will be used by the Department to ensure that additional enforcement cases are developed more quickly, so that clean up of sites ultimately requires less Federal funding and more new sites can continue to be remediated.

**WORKLOAD MEASURES**

Workload Measure	1999 Actual	2000 Enacted to Date	2001 Budget Request
Remedial Investigation / Feasibility Studies completed (number)	1	2	2
Interim Remedial Actions complete (number)	2	1	1
Remedy Implemented (number)	1	2	2
Investigations/oversight of Potentially Responsible Parties (PRPs) (number)	7	6	6
Projects in long-term monitoring (number)	3	3	3
Projects where no further remedial action is required (number)	0	3	2
Settlements/agreements with PRPs (#)	0	1	1